

AMENDED IN ASSEMBLY APRIL 5, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2141

Introduced by Assembly Member Ting

February 17, 2016

An act to add Section 748 to the Public Utilities Code, relating to ~~electricity.~~ *energy.*

LEGISLATIVE COUNSEL’S DIGEST

AB 2141, as amended, Ting. ~~Energy-efficient refrigeration program: low-income communities.~~ *Energy assistance: Corner stores.*

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires each electrical corporation and gas corporation to develop and implement a program of rate assistance to eligible food banks at a fixed percentage to be determined by the commission and subject to direction and supervision by the commission. Existing law requires all public utilities to develop programs, in cooperation with local school districts, to reduce their electricity and gas bills through conservation and improvements in efficiency. Pursuant to existing law, the commission supervises various energy efficiency and low-income targeted energy efficiency programs administered by electrical corporations, gas corporations, and third-party administrators.

This bill would require ~~an~~ *each* electrical corporation *and gas corporation* to develop a program, subject to direction and supervision by the commission, that ~~promotes the placement of free or low-cost energy-efficient refrigeration in corner grocery stores in low-income~~

~~communities in order to provide convenient fresh food options in those communities.~~ *provides incentives and assistance to owners, operators, or lessees of corner stores, as defined, to reduce their electricity and gas bills through conservation and energy efficiency improvements, including the placement or replacement of free or low-cost energy-efficient refrigeration in order to improve a community's access to healthy and fresh food options. The bill would require that the program give priority to low-income or lower income, as defined, areas and communities, areas and communities with limited access to healthy food, including those areas and communities that are considered to be food deserts, as defined, and communities with higher rates of diet-related diseases, as defined. The bill would require each electrical and gas corporation to submit its proposal for the program to the commission by January 1, 2018, and would require the commission to authorize or deny implementation of the program by July 1, 2018.*

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill would be a part of the act and because a violation of an order or decision of the commission implementing its requirements would be a crime, the bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 748 is added to the Public Utilities Code,~~
- 2 ~~to read:~~
- 3 ~~748. Subject to direction and supervision by the commission,~~
- 4 ~~each electrical corporation shall develop a program that promotes~~
- 5 ~~the placement of free or low-cost energy-efficient refrigeration in~~
- 6 ~~corner grocery stores in low-income communities in order to~~
- 7 ~~provide convenient fresh food options in those communities.~~

1 *SECTION 1. Section 748 is added to the Public Utilities Code,*
2 *to read:*

3 748. (a) *For purposes of this section, the following terms have*
4 *the following meanings:*

5 (1) *“Corner store” means a small-scale store or grocery store,*
6 *either an independent store or a chain store, that sells a limited*
7 *selection of foods and other products, in rural, urban, and*
8 *suburban settings. “Corner store” includes stores that are not*
9 *located on a corner and stores commonly referred to as*
10 *convenience stores or neighborhood stores.*

11 (2) *“Diet-related diseases” includes, but is not limited to,*
12 *obesity, diabetes, cancer, and cardiovascular diseases.*

13 (3) *“Food desert” means an area or community that lacks or*
14 *is absent of grocery stores or supermarkets that sell fresh produce*
15 *and healthy food options.*

16 (4) *“Low-income or lower income” means households with*
17 *annual incomes that are no greater than 400 percent of the federal*
18 *poverty level.*

19 (b) (1) *Subject to the direction and approval of the commission,*
20 *each electrical corporation and gas corporation shall develop and*
21 *implement a program to provide incentives and assistance to*
22 *owners, operators, or lessees of corner stores to reduce their*
23 *electricity and gas bills through conservation and energy efficiency*
24 *improvements, including, but not limited to, the placement or*
25 *replacement of free or low-cost energy-efficient refrigeration in*
26 *order to improve a community’s access to healthy and fresh food*
27 *options.*

28 (2) *The program shall require participating corner stores to*
29 *agree to sell fresh produce and other healthy foods for a minimum*
30 *of three years. The commission may impose other conditions to*
31 *ensure the integrity of the program and to protect ratepayers. The*
32 *three year requirement shall not be enforceable if the individual*
33 *or entity, or its successor, owning, operating, or leasing the corner*
34 *store ceases all of its retail food sales operations.*

35 (3) *The program shall give priority to, but is not limited to, the*
36 *following:*

37 (A) *Low-income or lower income areas and communities.*

38 (B) *Areas and communities with limited access to healthy food,*
39 *including those that are considered to be food deserts.*

40 (C) *Communities with higher rates of diet-related diseases.*

1 (4) *The program shall encourage and include outreach to corner*
2 *stores to promote participation.*

3 (c) (1) *Each electrical corporation and gas corporation shall*
4 *submit its proposal for the program to the commission by January*
5 *1, 2018.*

6 (2) *The commission may approve the proposal, modify and*
7 *approve the proposal, or direct the utility to file a new proposal*
8 *with elements specified by the commission by a date certain.*

9 (3) *The commission shall authorize or deny implementation of*
10 *the program by July 1, 2018.*

11 (d) *The commission shall implement an equitable means to fund*
12 *the program, which may include, but is not limited to,*
13 *overcollections pursuant to the California Alternate Rates for*
14 *Energy (CARE) program, the Energy Savings Assistance Program*
15 *established pursuant to Section 382, and other energy efficiency*
16 *funds or programs subject to the commission's oversight.*

17 SEC. 2. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the penalty
22 for a crime or infraction, within the meaning of Section 17556 of
23 the Government Code, or changes the definition of a crime within
24 the meaning of Section 6 of Article XIII B of the California
25 Constitution.